

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

SACRAMENTO, CA 95814



July 28, 1986

To: All County Welfare Directors
All County Administrative Officers

Letter No.: 86-39

Subject: VERIFICATION OF DISABILITY - RAILROAD RETIREMENT BOARD
DISABILITY STATUS

The purpose of this letter is to provide revised instructions for verification of disability through the Railroad Retirement Board (RRB).

Railroad Retirement Board Disability Status

Recently the Health Care Financing Administration (HCFA) questioned the authority for Medi-Cal regulation Title 22, CAC, Section 50167(a)(1)(B)3 which permits counties to verify disability by viewing an RRB notification of a disability award providing the applicant is still receiving those benefits. The basis for HCFA's concern was that some RRB disability benefit recipients may not meet Title II/Title XVI disability criteria (Section 50223). It has been determined that RRB issues two types of disability benefits:

1. Occupational disability - This type of benefit is issued when it is determined that an individual cannot perform his/her last railroad job. There is no determination of the individual's ability to perform other work in the national economy or other past work performed by the individual. This type of disability status does not meet Title II/Title XVI criteria.
2. Total and Permanent disability - This type of benefit is issued based on a determination that the individual meets Title II/Title XVI disability criteria.

Of the two types, only receipt of benefits based upon total and permanent disability is acceptable as verification of disability for Medi-Cal. Medi-Cal regulations are being revised to state that only RRB benefit award letters or notices based on total and permanent disability are acceptable Medi-Cal verification of disability. The Health Care Financing Administration (HCFA) has notified us that federal quality control errors will be cited on Medi-Cal disability cases where the sole verification of disability is RRB benefits awarded based on occupational disability or where the type of RRB disability benefit used for verification is not indicated.

New Applications

Effective immediately the attached advance copy of Medi-Cal Eligibility Manual Procedures Section 4F shall be followed at Intake. Do not grant any application based on RRB disability until the type of RRB benefit is identified or the DED evaluation is received unless presumptive disability is applicable.

Ongoing Cases

All ongoing Medi-Cal cases which include a disabled person in the MFBU should be reviewed at the time of the annual redetermination to determine if an RRB disability benefit notification was used to establish disability. If disability was established by RRB notification, the following procedure must be followed:

- A. Review the RRB notice to determine if the type of disability is identified.
- B. If the RRB notice shows total and permanent disability has been granted, no further action is required. Complete the redetermination process.
- C. If the RRB notice shows occupational disability has been granted, disability is not established. Have the beneficiary complete the disability packet as described in Medi-Cal Eligibility Manual Procedures Section 4A. Use the original application date or the date the beneficiary first alleged disability (whichever is later) on the MC 221 and note in the Comments Section: "RRB Occupational disability case - Reverification of status required". DO NOT DISCONTINUE THE CASE FOR LACK OF DISABILITY UNTIL THE DED EVALUATION HAS BEEN COMPLETED. The case may be discontinued if other reasons for ineligibility exist, i.e., failure to cooperate, excess property, etc.

If DED determines the beneficiary is disabled, file the MC 221 in the case file - no further action is required.

If DED determines that the beneficiary is not disabled, discontinue the beneficiary's disability status and take the appropriate action as follows:

1. If another basis for linkage exists (such as AFDC-MN), change the beneficiary's aid code, recompute the share of cost (if any) and send the appropriate ten-day Notice of Action (NOA).

2. If no other basis for linkage exists, discontinue the beneficiary using the appropriate NOA.
- D. If the RRB notice does not indicate the type of disability benefits awarded, take action as follows:
1. Contact the beneficiary to determine if any other RRB correspondence is available which identifies the type of RRB disability benefits being issued.
 2. If no other correspondence from RRB identifies the type of disability benefits, the beneficiary or, at county option, the eligibility worker must contact RRB to obtain written verification of the benefit type.
 3. If the beneficiary is receiving benefits for total and permanent disability, follow the procedure in B above.
 4. If the beneficiary is receiving benefits for occupational disability, follow the procedure in C above.

If the applicant or beneficiary refuses or fails to cooperate in fulfilling these requirements without good cause, the case must be discontinued with the appropriate NOA.

Procedure Section 4F will be issued by Manual Letter in the near future.

If you have any questions, please contact Toni Bailey at (916) 324-4953.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: August 1, 1987

MEDI-CAL ELIGIBILITY MANUAL

4F -- DISABILITY VERIFICATION THROUGH THE RAILROAD RETIREMENT BOARD (RRB)

I. BACKGROUND

Title 22, California Administrative Code (CAC), Section 50223, states that disability for Medi-Cal purposes shall be determined using Title II (Retirement, Survivors, and Disability Insurance)/Title XVI (Supplemental Security Income) criteria. Section 50167 lists various means which can be used to verify disability. One type of acceptable verification listed is an RRB notification of an award of disability benefits. RRB is the federal agency responsible for administering the retirement system for railroad employees. RRB issues two types of disability benefits:

A. Total and Permanent Disability

RRB evaluates total and permanent disability using Title II/Title XVI disability criteria.

B. Occupational Disability

RRB occupational disability is established by a determination that the individual cannot perform his/her last railroad job. Title II/Title XVI criteria are not used to make that determination. Further, occupational disability does not consider whether the individual is capable of performing other past work (including previous railroad jobs) or other work existing in significant numbers in the national economy.

II. VERIFICATION PROCEDURES

Following are the steps to be taken to verify disability through RRB. These steps must be closely followed, as quality control errors will result in cases incorrectly classified as disabled by means of an inadequate or unallowable RRB disability award. On any new application based on disability, or beneficiary request for reclassification as a disabled person, ^{and} where the applicant/beneficiary presents a RRB disability benefit award letter, RRB disability benefit change notice, or other written statement from RRB, take the following steps:

- A. Review the RRB document to determine if the type of RRB disability benefit is identified. If the type of RRB disability benefit is identified, take the action described in B below for total and permanent disability, or C for occupational disability.

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If the type of RRB disability benefit is not indicated, the basis for the RRB disability benefits must be identified as follows:

1. Ask the applicant/beneficiary if he/she has any other written documents from RRB which identify the type of RRB disability benefit.

If so, obtain the document, determine the type of RRB disability, and take the actions prescribed in B or C below, whichever is appropriate.

2. If no other RRB document is available, inform the applicant/beneficiary of his/her responsibility to obtain from RRB a written statement identifying the type of disability benefits awarded and set a reasonable time frame for compliance.

NOTE: The county may, at its option, contact RRB for such a written statement. Such requests should be made in writing to the RRB district office having jurisdiction over the applicant's/beneficiary's RRB case.

3. If the written statement from RRB is received, establish the type of RRB disability benefits awarded and take the action as described in B or C below, whichever is appropriate.

If the applicant/beneficiary fails or refuses, without good cause, to cooperate in obtaining the information, deny the application/request for reclassification on the basis of failure to cooperate and issue the appropriate Notice of Action (NOA). If the applicant/beneficiary states he/she knows that the award basis is occupational disability, and does not wish to go through verification for that reason, do not deny the application/request for reclassification due to failure to cooperate. Instead follow the procedures in C below.

NOTE: On reclassification requests, if a beneficiary's request for reclassification as a disabled person is denied for failure to cooperate, only the reclassification is affected. DO NOT DISCONTINUE MEDI-CAL BENEFITS UNTIL/UNLESS ALL OTHER LINKAGE CEASES OR ANOTHER REASON FOR DISCONTINUANCE EXISTS.

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- B. If RRB benefits were issued on the basis of total and permanent disability, the applicant/beneficiary is disabled for Medi-Cal purposes. Document the disability onset (or date benefits began if prior to Medi-Cal effective date), type of RRB disability award, the date of the notice or other written statement from RRB, and continue processing the application/request for reclassification.
- C. If RRB benefits were issued based on occupational disability, the applicant/beneficiary is not disabled for Medi-Cal purposes. The applicant/beneficiary must be evaluated by the Disability Evaluation Division (DED) in order to determine if a disability exists. A disability packet (MC 220, MC 221, and MC 223) must be completed (see Procedure 4A) and submitted to DED. In question 9 on the MC 223, Applicant's Supplemental Statement of Facts for Medi-Cal, RRB should be shown in question 9 as an agency who has reviewed the applicant's/beneficiary's condition. A properly completed and signed MC 220 (Authorization for Release of Information) must be obtained authorizing DED to obtain copies of the RRB awards.

Upon receipt of DED's evaluation, the appropriate action should be taken and the corresponding NOA issued.